Fair Political Practices Commission

MEMORANDUM

To: Chairman Randolph, Commissioners Blair, Downey, Huguenin, and Remy

From: Whitney Barazoto, Legislative and Communications Coordinator

Mark Krausse, Executive Director

Subject: Legislative Proposals for 2007

Date: December 1, 2006

On December 4, 2006, the Legislature will convene to begin the 2007-08 legislative session. Here is a summary of legislative proposals that staff recommends that the Commission sponsor in the coming year. Attached is an analysis for each proposal. Once each proposal is approved, staff will attempt to find a member of the legislature to author the measure and carry it through the legislative process.

NEW PROPOSALS:

1. Campaign Statements – Filing of Paper Copies

Amend Government Code section 84215 to do the following: 1) eliminate the requirement to file copies of campaign statements with a committee's county of domicile and 2) reduce the number of copies of reports required to be filed with local filing officers from two to one.

2. Definition of Investment

Amend Government Code section 82034 to expressly exclude defined benefit pension plans (as defined in IRC section 401(a)) from the definition of "investment."

3. Political Party Communications Identifying State Candidates – Application of Contribution Limits

Amend Government Code section 85310(c) so that Proposition 34 contribution limits apply equally to all payments for issue advocacy communications made within 45 days of an election and at the behest of a candidate for state elective office, regardless of whether that particular candidate is identified in the communication.

4. Reporting of Contributions – State Candidates and State Ballot Measure Committees

Amend Government Code section 85309 to align online reporting provisions with late reporting rules, and add section 85309.1 to make disclosure of nonmonetary contributions consistent with late reporting rules.

5. Statements of Economic Interests by Candidates for Elected Positions Designated in a Conflict of Interest Code

Add Government Code section 87302.3 to require candidates for elective offices that are designated in an agency's conflict of interest code to file statements of economic interests.

6. Travel Payments by Nonprofit Organizations

Amend Government Code 82030 to allow 501(c)(3) organizations to make direct payments for travel and per diem to airlines, hotels, etc., rather than limiting them to making only reimbursements to public officials for these expenses.

7. Technical Amendments

- A. Amend Government Code section 89513(a)(3) to replace an obsolete reference to section 84211(j)(7) with a general reference to section 84211; amend Government Code section 89511.5(c) to replace an obsolete reference to section 84211(j) with the correct reference to section 84211(k).
- B. Amend Government Code section 84605 to delete a duplicative mention of officeholder accounts and eliminate an obsolete reference to a repealed provision (section 85313).

2006 LEGISLATION TO REINTRODUCE:

8. Auditing of Electronically Filed Statements and Reports

Amend Government Code sections 90000(a) and 90003 to conform the audit provisions of the Act to require audits to cover reports and statements that are filed electronically. <u>Legislative History</u>: Introduced as SB 1760 in 2006, but the bill was later gutted and amended into an electronic voting systems bill that was chaptered into law.

9. 120-day Demands for Civil Action

Amend Government Code sections 91004 and 91007 to limit the number of "120-day demands" that may be filed by a private plaintiff and allow the court to increase the limit upon a showing of good cause. Require notification of respondents when a demand is made, and provide that the commencing of an administrative action shall bar the filing of a civil action by the private attorney general, except upon subsequent dismissal of the complaint by the Commission.

Legislative History: Passed both houses, vetoed by the Governor.

10. Major Donor Threshold

Amend Government Code section 82013(c) to increase the major donor threshold from \$10,000 to \$30,000.

Legislative History: Passed both houses, vetoed by the Governor.